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**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

LEAD EXPRESS, INC., et al.,

Defendants.

Case No. 2:20-cv-00840-JAD-NJK

**FTC'S CONCURRENCE TO
RECEIVER'S APPLICATION
FOR (1) DISCHARGE OF
RECEIVER AND (2) APPROVAL
OF FINAL FEE APPLICATION**

Plaintiff, the Federal Trade Commission ("FTC"), through its undersigned counsel, respectfully submits this concurrence in support of the Receiver's application for: (1) discharge from his duties as Receiver; and (2) approval to pay final invoices totaling \$32,167.76 for the

1 Receiver and his counsel. (ECF No. 98.) The FTC further concurs in the Receiver's
2 recommendation that the Court terminate the receivership. (ECF No. 98.)

3 The FTC agrees that the work of the receivership is now complete. The FTC has
4 reached, and the Court has entered, a settlement with defendants Lead Express, Inc., Camel
5 Coins, Inc., Sea Mirror, Inc., Naito Corp., Kotobuki Marketing, Inc., Ebisu Marketing, Inc.,
6 Hotei Marketing, Inc., and Daikoku Marketing, Inc. ("Corporate Defendants") and Takehisa
7 Naito and Keishi Ikeda ("Individual Defendants") that has resolved all outstanding issues
8 between the FTC and each of the Corporate and Individual Defendants. (*See* ECF No. 95.) And
9 the FTC's motion for default judgment against the remaining defendant, La Posta Tribal Lending
10 Enterprise ("Tribal Defendant"), has been fully briefed and is ready for ruling by the Court.¹
11 (*See* ECF Nos. 91, 92, 93, 96, and 97.) Pursuant to Section VII.L of the Stipulated Order for
12 Permanent Injunction and Monetary Judgment as to the Corporate and Individual Defendants
13 (ECF No. 95 at 12), the FTC intends to return approximately \$1 million to consumers who were
14 subjected to Defendants' unlawful payday lending scheme, and the redress fund is comprised
15 principally of funds that the Receiver secured.
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18 The FTC submits that the services the Receiver rendered during the course of the
19 receivership were necessary, appropriate, and brought value to the Receivership Estate. The
20 Receiver's Final Account and Report (ECF No. 99) highlights myriad issues the Receiver
21 encountered in administering the receivership estate. These issues included securing the
22

23 ¹ The FTC notes that the Tribal Defendant was never part of the Receivership. (*See* ECF Nos. 44
24 and 47.) Nevertheless, pursuant to the Stipulated Preliminary Injunction with the Tribal
25 Defendant, the Tribal Defendant's assets were transferred to the receivership. (*See* ECF No. 47.)
26 And the FTC's proposed default judgment order would confirm that that money remains part of
27 the receivership to be disposed of by the Receiver. (*See* ECF No. 97-1.) Notwithstanding the
pending default judgment motion, the FTC concurs with the Receiver that the receivership can
be terminated.

1 business premises during the COVID-19 pandemic, evaluation and repayment of unused loan
2 disbursements from the Small Business Administration's Paycheck Protection Program, and the
3 sale of several luxury vehicles. The substantial fund now available for consumer redress is
4 testament to the efficiency that the Receiver applied to resolving the issues the receivership
5 encountered.

6
7 Moreover, in the course of administering the Estate, the Receiver took steps that inured
8 directly to the benefit of consumers. Among other things, the Receiver determined that the
9 receivership could not responsibly collect on the thousands of outstanding payday loans
10 purportedly owed to the receivership defendants by consumers. Given that the FTC maintains
11 that all of those loans were procured through unlawful practices, the Receiver's actions averted
12 additional harm to consumers.

13
14 The FTC has carefully reviewed the Receiver's application for discharge and approval to
15 pay final invoices for the Receiver and his counsel (ECF No. 98), the declaration of the Receiver
16 in support thereof (ECF No. 99), and the invoices submitted therewith (ECF No. 99-1 – 99-4).
17 Based on its review, its work with the Receiver over the course of the receivership, and the
18 benefits to consumers that accrued as a result of the Receiver's work, the FTC concurs in the
19 Receiver's application.

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21 Accordingly, for the reasons set forth herein, the FTC therefore respectfully requests that
22 Court enter the proposed Order submitted by the Receiver with his application. (ECF No. 100.)
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1 Dated: May 14, 2021

Respectfully submitted,

2 JAMES REILLY DOLAN
Acting General Counsel

3 /s/ Gregory A. Ashe

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16 Attorneys for Plaintiff

FEDERAL TRADE COMMISSION

17
18 **CERTIFICATE OF SERVICE**

19 The undersigned hereby certifies that on May 14, 2021, a true and correct copies of **FTC'S**
20 **CONCURRENCE TO RECEIVER'S APPLICATION FOR (1) DISCHARGE OF**
21 **RECEIVER AND (2) APPROVAL OF FINAL FEE APPLICATION** was filed electronically
22 with the United States District Court for the District of Nevada using the CM/ECF system, which
sent notification to all parties of interest participating in the CM/ECF system.

23 /s/ Gregory A. Ashe

24 Attorney for Plaintiff Federal Trade Commission